

0900021

SYNOPSIS PAGE

JAN --5 2001

Control number: AMFPA:PH:01-00021

Originator: Paul Hartmann, 303-966-4526

Issue: The purpose of the memorandum is to confirm in writing a verbal discussion between the RFFO Manager and the Kaiser-Hill president on safety culture

Background:

Recommendations: Sign memo and return to originator.

Record Notes: None

Bcc: Managers' reading file

01 JAN -3 PM 1:20  
CCDH

Copy to Reading Room: Yes See attached No 5 Jan 01 (Pls initial)

AMFPA  
Hartmann:ad

SSD  
Hoffman

CMD  
Dan

AMFD  
Dalton

OCC  
Roy

OOM  
Karparkin

OOM  
Golan

OOM  
Majrowski

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See  
Comments

1/5/01

1/5/01

01/04/01

## **SYNOPSIS PAGE**

**CORRESPONDENCE**

**CONTROL NO.:** AMFPA:PH:01-00021

**ORIGINATOR:** Paul Hartmann

**ISSUE:** The purpose of the memorandum is to confirm in writing a verbal discussion between the RFFO Manager and the Kaiser-Hill CEO on Safety Culture.

**BACKGROUND:**

**RECOMMENDATIONS:** Sign Memo and return to originator.

**RECORD NOTES:** None

bcc:

Manager's Read File, OOM, RFFO

Copy to Reading Room: Yes      No      (DOE Please Initial

AMFPA  
Hartmann  
/ /01

SSD  
Hoffman  
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CPMC  
Dan  
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OCC  
Roy  
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OOM  
Golan  
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OOM  
Mazurowski  
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United States Government

Department of Energy

# memorandum

Rocky Flats Field Office

DATE: JAN - 5 2001

REPLY TO  
ATTN OF: AMFPA:PH:01-00021

SUBJECT: Safety Concerns

TO: Robert G. Card  
President  
Kaiser-Hill Company, L.L.C.

As the Rocky Flats Field Office (RFFO) Manager and Head of Contracting Authority for the Rocky Flats Closure Contract number DE-AC34-00RF01904 (the Closure Contract), I am writing to express serious concerns regarding the safety performance of the Kaiser-Hill Company, L.L.C. (KH) Management Team. In several key areas, KH's safety performance is not meeting DOE expectations. There has been a trend of significant safety events since the contract became effective February 1, 2000. The Closure Contract allowed KH a period of time to develop the infrastructure necessary to implement this contract. The RFFO is concerned that the infrastructure developed thus far is inadequate to ensure an effective safety posture for work performed at the site.

The RFFO's concerns regarding KH safety performance fall into several key areas.

First, RFFO is concerned that there is inadequate management—at every level and in each project—to ensure safe, productive operations. This lack of adequate management has led to ineffective work control.

Second, RFFO is concerned that KH has not developed an adequate process for ensuring that lessons learned from safety events are incorporated into future work activities. Further, KH has not developed and implemented a fact-finding process for identifying key information on safety events as well as root causes.

Third, RFFO is concerned that KH workers, especially those engaged in critical activities involving the handling of material, do not understand their roles and responsibilities. This applies to both supervisors and workers.

Fourth, RFFO is concerned that KH has not developed an effective independent safety and health oversight organization.

Any one of these concerns is serious in its own right. Cumulatively, they suggest a serious deficiency in the safety attitude at Rocky Flats. These issues also potentially mean that KH is not complying with some provisions of the Closure Contract.

The RFFO has issued three notices of fee reduction penalty for significant degradation of safety pursuant to Contract Clause B.6(e)(3). These penalties were a result of "events or incidents ... that indicate or reflect a lack of focus on improving safety, safeguards or security performance...." They were intended to influence KH to improve its safety performance. The RFFO is disappointed and disturbed that KH's safety performance has still not improved sufficiently to meet our expectations and requirements.

The areas related to these B.6 (e)(3) events were inadequate operation of the Building 371 ventilation system, material movements and handling, and inadequate implementation of Integrated Work Control Program.

The first contract fee penalty involved upsets to the Building 371 ventilation system in February 2000, which resulted in the spread of contamination and required extensive decontamination. A fee penalty of \$60,000 was assessed for these incidents.

The second contract penalty resulted from numerous sitewide material handling incidents. A fee penalty of \$100,000 was assessed for these incidents on June 30, 2000.

The third contract fee penalty resulted from insufficient work control due to inadequate implementation of the Integrated Work Control Program. Events in Buildings 771 and 776 were identified as specific examples of inadequate work controls. A \$250,000 fee penalty was assessed for these incidents on November 1, 2000.

Although these contract fee penalties have steadily increased, the RFFO has not observed an improvement in the safety performance of the Site as a result of these notices. Further, there have been additional safety events since the issuance of these penalties.

The most recent events were criticality safety limit infractions in Building 707. The first involved the packing of uranium in 10-gallon drums that violated the mass limit of the Criticality Safety Operating Limit (CSOL). The second incident involved packing contaminated waste that violated the posted CSOL mass limit for the 55-gallon drum container. These events are disturbing for several reasons:

- (1) The work crew indicated that operators were not expected to check mass loading information for containers of material that they were handling.
- (2) There were inadequacies in the associated packaging procedures.
- (3) The items to be packed in the 55-gallon drum were documented and independently verified as exceeding the CSOL for this drum on four separate occasions.
- (4) The fact-finding for both of these events was inadequate.

A common theme of the two events is that workers handling material violated or ignored criticality safety limits based on perceived management or supervisory direction. This is disturbing both because the workers perceived they were directed to disregard these limits and did not stop the activity, and because they in fact did disregard them and exceeded the CSOL. The operator who packages or handles material is the last line of defense to prevent a criticality. The supervisor does not have the authority to override a criticality safety limit.

The criticality infractions in Building 707 also raise concerns regarding the effectiveness of KH's management and application of corrective actions. The corrective actions from a June 2000 criticality infraction associated with packaging of material were not applied or implemented effectively. Effective implementation of these corrective actions might have prevented the criticality infractions reported on December 21 and 29, 2000.

The RFFO's concerns are not limited to criticality infractions or to Building 707. Prior to these criticality infractions, the RFFO was concerned about the adequacy of work controls in Building 771. Eleven workers in that building who were performing deactivation and decommissioning size reduction work in the building received radiological uptakes of plutonium without any workplace indicators detecting the contamination.

The RFFO is concerned that this trend of safety deficiencies raises the potential that KH may not be fully complying with certain sections of the contract.

The Rocky Flats Closure Contract Clause C.1.2 states, "The mission is to accelerate closure of the Rocky Flats Environmental Technology Site ... The Contractor shall accomplish site closure in a safe, compliant and efficient manner ... The RFETS closure project must be accomplished so as to maintain the site in a safe condition for the workers, the public, and the environment and by complying with all applicable laws, regulations and agreements."

The DOE is concerned that KH has not fully implemented the requirements of the Clause I. 109, DEAR 970.5204-2, Integration of Environment Safety and Health into Work Planning and Execution, and appendix J, Attachment B, LAWS, REGULATIONS, AND DOE DIRECTIVES APPLICABLE TO RFETS of the Rocky Flats Closure Contract.

The DEAR Clause requires in part that:

(b) The contractor shall perform work safely, in a manner that ensures adequate protection for employees, the public, and the environment and shall be accountable for safe performance of work...

The contractor shall, in the performance of work ensure that:

- (1) Line management is responsible for the protection of employees, the public and the environment...
- (2) Personnel possess the experience, knowledge, skills and abilities that are necessary to discharge their responsibilities...

(g) The contractor shall promptly evaluate and resolve any noncompliance with the applicable ES&H requirements and the [Safety Management] System...

The RFFO believes that KH has not adequately implemented this clause, and that this lack of implementation is contributing to the site's safety issues.

Additionally, RFFO believes that KH has not fully implemented the following regulations related to safety performance:

- The RFFO considers KH to not be determining facts, root causes and necessary corrective actions to prevent recurrence associated with reportable events. Specific Directives related to these inadequacies are:
  - DOE O 232.1A, Occurrence Reporting and Processing of Operations Information
  - DOE O 414.1A, Quality Assurance
  - 10 CFR830.120, Quality Assurance
- The RFFO considers the formality and prescribed control of operations to have been inadequate for the Building 707 events and the B.6 events listed above. Specific Directives related to these inadequacies are:
  - DOE O 5480.19, Conduct of Operations Requirements for DOE Facilities
  - DOE O 420.1, Facility Safety

The RFFO considers a significant element in these safety issues is an inadequate management of each project to assure safe and productive operations. Additionally, RFFO considers that these safety issues are in part the direct result of the lack of effective independent safety oversight and the lack of effective enforcement of corrective actions to prevent recurrence of similar problems. The requirement to perform this oversight is required by Clause E.4 of the Rocky Flats Closure Contract.

The RFFO also considers the lack of staffing of the Chief Operating Officer (COO) may be another contributing factor to the present inadequate safety culture. The Closure Contract Clause H.11, Key Personnel, prescribes that "under no circumstances will a key personnel position remain unfilled, acting replacements aside, for more than four months." The COO position was specified by KH and approved by DOE but has not been filled since inception of the contract on February 1, 2000.

The DOE is aware that KH has suspended certain nuclear operations as a result of the events in Building 707. In light of the concerns and issues identified in this memorandum, RFFO expects KH to take the following additional minimum actions:

- Develop a comprehensive corrective action plan to improve the safety performance at the site.
- This plan must be briefed to and concurred in by the RFFO Manager.

- Those actions required by the plan to be completed prior to resuming those nuclear operations suspended by KH will be completed by KH and assessed by RFFO prior to recommencing these activities. (Exempt from this restriction are material handling operations required to complete inventory and Limiting Condition of Operation surveillance requirements.)

Upon completion, all elements of this plan will be assessed by the RFFO.

Upon further internal review by KH of the safety concerns described in this memo, DOE reasonably anticipates that KH may identify further actions to enhance the safety culture onsite.

The RFFO expects that safety will improve at the Site as a result of the KH actions taken in response to this memo. The RFFO reserves the right to implement further contractual actions if KH fails to meet RFFO expectations to improve the safety culture at the Site, or if further significant safety events occur. It is our hope that KH's actions in response to this memorandum will make such contract actions unnecessary.

It is the mutual goal of KH and RFFO to achieve a safe cleanup of Rocky Flats. I look forward to working with you to undertake the necessary steps to ensure that we do reach this mutual goal.



Barbara A. Mazurowski  
Manager

cc:

C. Huntoon, EM-1  
M. Oldham, EM-3  
D. Stadler, EH-2  
R. Scott, EM-5  
J. Fiore, EM-30  
M. Jones, EM-33  
D. Owens, DNFSB  
P. Golan, OOM, RFFO  
C. Dan, CMD, RFFO  
M. Roy, OCC, RFFO  
H. Dalton, AMFD, RFFO  
J. Karpatkin, OOM, RFFO

United States Government

Department of Energy

# memorandum

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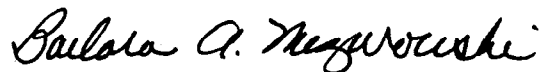
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